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January 17, 2012

Ex Parte

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**Re: *Lifeline and Link Up Reform and Modernization, WC Docket No. 11-42;
Federal-State Joint Board on Universal Service, CC Docket No. 96-45;
Lifeline and Link Up, WC Docket No. 03-109***

Dear Ms. Dortch:

On January 12, 2012, Chris Miller and the undersigned of Verizon met separately with Angie Kronenberg, Wireline Legal Advisor to Commissioner Clyburn, and Christine Kurth, Policy Director and Wireline Counsel to Commissioner McDowell, to discuss issues raised in the Lifeline/Link Up reform and modernization proceeding.

In the meetings, we explained that Verizon supports reform of the Lifeline fund and the overall goals of those reforms recently outlined by Chairman Genachowski. In particular, Verizon supports the development of a national database that would support the functionalities proposed in the Notice -- *i.e.*, a database that would "verify consumer eligibility, track verification and check for duplicates to ensure greater program accountability."¹ If the Commission establishes a database that is initially limited to checking for duplicate enrollment, the Commission should make clear that it will move quickly to a second phase in which the centralized administrator assumes responsibility for verifying consumer eligibility and tracking verification. The Commission should not adopt an interim rule that would require carriers to verify program eligibility of all Lifeline customers every year. We pointed out that the administrative costs would be substantial and

¹ *Lifeline and Link Up Reform and Modernization; Federal-State Joint Board on Universal Service; Lifeline and Link Up*, Notice of Proposed Rulemaking, 26 FCC Rcd 2770, ¶ 207 (2011) ("Notice").

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would cause needless churn for Lifeline customers, due in large part to the high non-response rate. Instead of expending resources on changes to existing carrier-driven verification procedures, the Commission should assign verification responsibilities to a national administrator as soon as possible. In addition, we discussed the scope and application of proposed new audit requirements.

We also said that the Commission should not mandate that carriers allow consumers to apply their Lifeline discounts to any Lifeline calling plan with a voice component, including bundled service packages combining voice and broadband. Expanding the range of service packages that are eligible for Lifeline discounts would further increase the size of the Lifeline fund.

Sincerely,

/s/ Alan Buzacott

cc: Angie Kronenberg
Christine Kurth